With updates from the Indiana State Department of Agriculture

The Harvest TIMES



November 21, 2005



Lt. Governor Becky Skillman



Agriculture Director
Andy Miller

Indiana farm heritage honored at Hoosier Homestead ceremony Volume I Issue 3

IN THIS ISSUE:

- Ø Biotown USA hosts Extreme Energy Makeover Day
- Ø Biofuels industry study released on Nov. 2
- Ø Alternative Fuels Grant Program announced
- Ø State makes progress in agriculture coordination

Biotown, USA hosts Energy Makeover

Day



To celebrate the conclusion of Phase 1 of the Biotown, USA project, Lt. Governor Becky Skillman and Agriculture Director Andy Miller gave away 20 flex-fuel vehicles to residents of Reynolds on Nov. 18.

Biotown, USA is a project of the Indiana State
Department of Agriculture under the leadership of Lt.
Governor Skillman, Agriculture Director Miller and
project coordinator Ryan West. In September,
Reynolds, Ind., was selected as the nation's first
Biotown, USA, a pilot community where all energy
needs will be met through use of biorenewable
resources.

Nov. 18 was called Extreme Energy Makeover Day in Reynolds, and 20 people living in the 47980 zip code who pre-registered for a drawing will receive a free E85 vehicle for the next two years in a partnership with



Awarded the Bicentennial
Award for owning their
family farm for over 200
years, the Montgomery
family is pictured withLt.
Governor Becky Skillman
(second from left), Rep. Troy
Woodruff (far left) and
Agriculture Director Andy
Miller (far right).

Lt. Governor Skillman and the Indiana State Department of Agriculture honored 44 Hoosier Homestead recipients on Oct. 26 for owning their family farm for over 100 years.

During the ceremony emceed by Deputy Agriculture Director Beth Bechdol, 28 families were honored with a Centennial award, for owning their family farm for more than 100 years; 13 families were honored with a Sesquicentennial award, for owning their family farm for more than 150 years and two recipients were honored with a Bicentennial award, for owning their farm for more than 200 years.

The Montgomery-Hudelson-Marginet family and Montgomery family both of Gibson county will mark only the third and fourth family in the state of Indiana to be dubbed the honor of owning a Bicentennial Farm.

The Hoosier Homestead Award was created in 1976 General Motors. Also, the town of Reynolds will be presented with their new flex-fuel town vehicles, and project managers will begin demolition at the town's BP gas station to make way for the construction of a new "BioIsland" of pumps for E85 and B20 fuels.

"The success the citizens of Reynolds achieve with this pilot effort is important for all Hoosiers as we seek to decrease our dependence on foreign oil by utilizing alternative fuels," said Daniels.

Reynolds, Ind., is the country's first effort toward creating communities where all energy needs are met through use of biorenewable resources, is nearing the completion of Phase 1 of the BioTown USA project.

Phase 1 focused on biofuels and making the Reynolds community the highest per capita user of flex-fuel vehicles in the United States . A flex-fuel vehicle is one that can run on regular gasoline or E85 fuel. E85 is an 85 percent ethanol blended fuel, and B20 is a 20 percent soybean biodiesel blend with traditional petroleum diesel fuel. All diesel powered vehicles can operate on B20 without any modifications.

Events during the Extreme Energy Makeover Day included:

1 p.m. – 2 p.m.

 Lt. Governor Becky Skillman will kick off Extreme Energy Makeover Day in the center of Reynolds with the delivery of the town's new flex-fuel vehicles and the free E85 vehicle giveaway.

2 p.m. - 8 p.m.

 GM Flex-Fuel Showcase and a Biofuels Open House to educate the public about the advantages of flex-fuel vehicles and renewable fuel from at the White County Fairgrounds

2:30 p.m.

 Alternative Fuels 101 workshop presented by the Central Indiana Clean Cities Coalition, Indiana Soybean Board and Indiana Corn Marketing Council at the White County Fairgrounds.

5 p.m.

 Hog Roast and free entertainment for the community at the White County Fairgrounds. by then-Lt. Gov. Robert Orr and the Office of the Commissioner of Agriculture, precursor to the Indiana State Department of Agriculture.

The award was orginially created to recognize "the contribution these family farms have made to the economic, cultural and social advancements of Indiana."

Since 1976 almost 4,500 farms have received the honor.

The criteria states that if a person owns a farm of more than 20 acres or one that generates at least \$1,000 in annual gross revenues, and the land has been in the family for 100 years or more, it's eligible.

In addition to qualify for the award, an applicant must fill out the Indiana State Department of Agriculture application and provide documentation to prove proof of ownership and transfer of ownership.

For more information on the Oct. 26 Hoosier Homestead Award Ceremony or if you are interested in applying for the Hoosier Homestead award, please email Meggie Foster, program coordinator at mfoster@isda.in.gov.

Back to top

Fourth B20 Station opens in Fort Wayne

"The alternative fuels workshop, flex-fuel vehicle showcase and biofuels open house are great opportunities for everyone to learn more about renewable fuels and how they can benefit you or your town or business," said Ryan West, Biotown USA project coordinator.

Back to top

Biofuels industry study released on Nov.

2

On Nov. 2, Lt. Governor Becky Skillman and Indiana Agriculture Director Andy Miller released a study on the U.S. biofuels industry and how it relates to Indiana. The Indiana State Department of Agriculture commissioned Informa Economics to write the report entitled, "The Structure and Outlook for the U.S. Biofuels Industry."

"We have identified the production and use of biofuels as a key strategy to pursue at the Indiana State Department of Agriculture," remarked Lt. Governor Skillman, who also serves as Secretary of Agriculture and Rural Development. "As we move forward in growing this new sector of our economy, it is important that we have all the facts needed to make informed decisions. This report gives us good 'food for thought.""

The study confirms that Indiana has the corn supply to support ethanol production in a time when more production is needed. Indiana 's corn production currently meets a variety of needs: 5 percent of the crop goes to ethanol production, 17 percent to Indiana 's livestock industry, 29 percent to other processing and 49 percent for export and residual use.

"Indiana has a strong, dedicated food and industrial processing sector that uses a significant quantity of corn, which likely will not change much in the future," said Miller. "Therefore, we need to plan for and avoid any unintended consequences that a sharp increase in ethanol production might have on our livestock feed costs and export markets."

Compared to the ethanol sector, the biodiesel market is still extremely immature, consisting of only a handful of dedicated plants across the country. There are currently 30 existing biodiesel production facilities in the United States with about 25 more companies reporting plans to construct in the near future.

The study also notes there could be other advantages in biodiesel if well coordinated research programs at the state and national level between agricultural and energy agencies are carried out. "Our state is in a strong position to fill this gap because Indiana's soybean growers and Purdue University already lead the way in funding and carrying out research projects," said Miller.

On Nov. 3, Governor Mitch Daniels pumped the first gallon of B20 at the first B20 soy biodiesel fueling station in northeasternIndiana.

"Indiana continues to be a leader in the production of renewable fuels," said Daniels. "In our quest to develop greater energy independence, use of alternative fuels like B20 is good for the environment and good for our economy."

B20 is a 20 percent soybean oil blended diesel fuel. The governor's mobile office known as RV1, runs on B20.

The Fort Wayne fueling station is the fourth of its kind in Indiana and is owned and operated locally by AgPlus. B20 public fueling stations have already opened in Tipton, Bluffton, and Goshen.

The Fort Wayne fueling station is located at Energy Plus 24 at 1105 Production Drive.

Back to top

For a complete copy of "The Structure and Outlook for the U.S. Biofuels Industry," visit ISDA's website at www.in.gov/isda and go to "Publications."

Back to top

Alternative Fuels Grant Program announced

Under the leadership of Lt. Governor Becky Skillman, the Indiana State Department of Agriculture signed a memorandum of understanding with the Indiana Energy Group to administer the \$1.1 million Alternative Fuels Grant Program, formerly known as the Alternative Fuel Vehicle Program.

"We are working to create a culture in Indiana in which it is natural for Hoosiers to use biofuels and companies to want to produce it here," said Lt. Governor Skillman, who oversees Indiana agriculture and energy policy. "This program is important in making this possible."

The Alternative Fuels Grant Program is comprised of grant money from the U.S. Department of Energy, administered by the State of Indiana. The program will pay for the installation of E85 pumps and the use of B20 biodiesel. E85 is an 85 percent ethanol blended fuel, and B20 is a 20 percent soybean oil blended diesel fuel. The grants can pay for 50 percent of the cost of installing an E85 pump, up to \$50,000. For B20, the money can be used to buy down half the difference in price for a fleet to use B20 fuel.

For example, if B20 is 8 cents per gallon more than petroleum fuel, the grant would pay 4 cent per gallon. Companies, schools, cities and towns all qualify for Alternative Fuels Grants. So far this year, more than \$625,663 in Alternative Fuels grants has been awarded across Indiana. The grants will off-set more than 2.1 million gallons of conventional transportation fuel. In 2004, the state awarded \$74,937 in alternative fuels grants, offsetting almost 51,000 gallons of traditional fuel.

"Indiana currently has 10 E85 pumps, and our goal for is to have at least 40 operational E85 pumps publicly available across the state by the end of 2006, putting us on par with our neighboring states," said Indiana Agriculture Director Andy Miller. "This grant program will aid retailers in making E85 more available to consumers, and encourage more businesses and communities to use B20."

To receive a grant application, contact the Indiana State Department of Agriculture at 317-232-8770 and ask for the Alternative Fuels Grant Program administrator or visit the ISDA website atwww.in.gov/isda.

Back to top

State makes progress in agriculture coordination

Lt. Governor Becky Skillman and the Indiana State Department of Agriculture hosted their first successful meeting of the Indiana Agriculture Regulatory Council on Oct. 24.

This newly formed group is made up of state agencies having regulatory responsibilities related to Indiana food and agriculture. The Council met with the goal of improving interagency coordination and communication.

"In order to grow Indiana agriculture, our administration needs to be aware of all of the issues that confront this important sector of our economy," commented Lt. Governor Becky Skillman, who also serves as Secretary of Agriculture and Rural Development.

"By opening the lines of communication between state agencies, we are aware of what each other are doing in the regulation of agriculture. We are also able to brainstorm on ways that we can work together thereby increasing the effectiveness and efficiency in our dealings with Indiana's agriculture stakeholders."

Members of the Indiana Agriculture Regulatory Council are Lt. Governor Skillman; Andy Miller, Director, Indiana State Department of Agriculture; Kyle Hupfer, Director, Indiana Department of Natural Resources; Thomas Easterly, Commissioner, Indiana Department of Environmental Management; Judith Monroe, State Health Commissioner, Indiana State Department of Health; Bret Marsh, State Veterinarian, Indiana State Board of Animal Health; Rodney Noel, Office of the Indiana State Chemist; David Steen, Executive Administrator, Indiana State Egg Board; Myron Bozell, Manager, Creamery License Division; Leon Thacker, Director, Indiana Animal Disease Diagnostic Laboratory; and John Baugh, Director of Ag Services/Regulations, Purdue University College of Agriculture.

The Indiana Agriculture Regulatory Council is not a regulatory body and has no decision-making authority. The group will meet quarterly as a way to keep the lines of communication open as the state works to grow Indianaagriculture.

Back to top

The Indiana State Department of Agriculture was created in April of 2005 to advance our state's food and agriculture system. ISDA has two main goals: to make agriculture a key part of the state's economic comeback and to establish Indiana as a leader in the global agricultural economy. Our vision is for Indiana to be a global center for food and agriculture innovation and commercialization.

Lt. Governor Becky Skillman | Indiana State Department of Agriculture